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The Orchard: One Bad Apple?

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Whether it's an issue with <u>hardware</u>, <u>privacy</u>, or both <u>simultaneously</u>, Apple has recently found itself facing criticism.

Most recently, a 14-year-old boy found a bug on FaceTime, which allowed users to <u>eavesdrop</u> on others even if they never answered a FaceTime call. Apple was quick to respond and acknowledge the issue. However, a fix will not be available until next week, and for now, Apple has <u>deactivated</u> group chat. In addition, a "high-level" Apple executive flew to Arizona to thank the young boy and noted that he may be available for Apple's <u>bug bounty program</u>, which awards invited users with monetary awards for finding bugs.

While Apple was quick to respond, this has not always been the case. When Apple first released its new keyboards with butterfly switches, it took several <u>class action lawsuits</u> for Apple to <u>admit</u> that there was a problem. Once Apple acknowledged the problem, it created a new repair program and updated its keyboards; however, users have continued to list <u>complaints</u>.

It is hard to discern the effects these hardware and software issues have had on Apple's value, especially given the decrease in demand of smartphones. However, it is unlikely that these issues have led to a decrease in many users as made evident by the large host of online articles discussing how Apple has "trapped" them on iOS, "perhaps forever." Nevertheless, Morgan Stanley believes that Apple's new video streaming and associated businesses will catalyze Apple's stock in the coming year.

